

SECTION L - INSTRUCTIONS, CONDITIONS AND NOTICES TO OFFERORS**L.1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (DFAS L1)**

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The Offeror is cautioned not to delete provisions from, nor add provisions to, the following list. Such an action may cause your offer to be rejected. The complete text of specific provisions is contained in Chapters 1 (Federal Acquisition Regulation) and 2 (DOD FAR Supplement) of Title 48 of the Code of Federal Regulations (CFR) which are available at most law libraries. In addition, the full text of FAR and DFARS clauses may be accessed electronically at <http://farsite.hill.af.mil/>.

<u>PROVISION (DATE)</u>	<u>TITLE</u>
52.204-6 (JUN 1999)	DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER
52.207-2 (FEB 1993)	NOTICE OF COST COMPARISON (NEGOTIATED) <i>Fill-ins:</i> (c)(1) and (c)(2) ...after (i) completion of a public review period of <u>30</u> working days....
252.209-7001 (MAR 1998)	DISCLOSURE OF OWNERSHIP OR CONTROL BY THE GOVERNMENT OF A TERRORIST COUNTRY
252.209-7002 (SEP 1994)	DISCLOSURE OF OWNERSHIP OR CONTROL BY A FOREIGN GOVERNMENT
52.215-1 (NOV 1999)	INSTRUCTIONS TO OFFERORS--COMPETITIVE ACQUISITION
52.215-1 (NOV 1999)	INSTRUCTIONS TO OFFERORS—COMPETITIVE ACQUISITION Alternate II (OCT 1997)
52.222-46 (FEB 1993)	EVALUATION OF COMPENSATION FOR PROFESSIONAL EMPLOYEES
52.232-38 (MAY 1999)	SUBMISSION OF ELECTRONIC FUNDS TRANSFER INFORMATION WITH OFFER
52.237-1 (APR 1984)	SITE VISIT
52.237-10 (OCT 1997)	IDENTIFICATION OF UNCOMPENSATED OVERTIME

**L.2 REQUIRED CENTRAL CONTRACTOR REGISTRATION,
DFARS 252.204-7004 (MAR 1998)**

(a) Definitions. As used in this clause--

(1) "Central Contractor Registration (CCR) database" means the primary DoD repository for contractor information required for the conduct of business with DoD.

(2) "Data Universal Numbering System (DUNS) number" means the 9-digit number assigned by Dun and Bradstreet Information Services to identify unique business entities.

(3) "Data Universal Numbering System + 4 (DUNS+ 4) number" means the DUNS number assigned by Dun and Bradstreet plus a 4-digit suffix that may be assigned by a parent (controlling) business concern. This 4-digit suffix may be assigned at the discretion of the parent business concern for such purposes as identifying subunits or affiliates of the parent business concern.

(4) "Registered in the CCR database" means that all mandatory information, including the DUNS number or the DUNS+ 4 number, if applicable, and the corresponding Commercial and Government Entity (CAGE) code, is in the CCR database; the DUNS number and the CAGE code have been validated; and all edits have been successfully completed.

(b)(1) By submission of an offer, the offeror acknowledges the requirement that a prospective awardee must be registered in the CCR database prior to award, during performance, and through final payment of any contract resulting from this solicitation, except for awards to foreign vendors for work to be performed outside the United States.

(2) The offeror shall provide its DUNS or, if applicable, its DUNS+ 4 number with its offer, which will be used by the Contracting Officer to verify that the offeror is registered in the CCR database.

(3) Lack of registration in the CCR database will make an offeror ineligible for award.

(4) DoD has established a goal of registering an applicant in the CCR database within 48 hours after receipt of a complete and accurate application via the Internet. However, registration of an applicant submitting an application through a method other than the Internet may take up to 30 days. Therefore, offerors that are not registered should consider applying for registration immediately upon receipt of this solicitation.

(c) The Contractor is responsible for the accuracy and completeness of the data within the CCR, and for any liability resulting from the Government's reliance on inaccurate or incomplete data. To remain registered in the CCR database after the initial registration, the Contractor is required to confirm on an annual basis that its information in the CCR database is accurate and complete.

(d) Offerors and contractors may obtain information on registration and annual confirmation requirements by calling 1-888-227-2423, or via the Internet at <http://ccr.edi.disa.mil>.

L.3 GOVERNMENT-FURNISHED PROPERTY

Technical proposals must clearly identify whether the contractor proposes to perform in Government-furnished facilities, and specify the square footage and specific facilities required, as well all of GFE and GFP described in section J.4 that the offeror proposes to use to perform the requirement. Offerors shall identify any stipulations, conditions, or variances regarding the use of facilities, GFE, and GFP in performance of the requirement.

L.4 CONTENT OF PROPOSALS (SERVICES) (DFAS L4 ALTERNATE I)

(a) **GENERAL** The offerors must submit seven copies of the executive summary, seven copies of the technical proposal, seven copies of the past performance information and two copies of the cost/price proposal. Two of the seven copies must be hard copies, the remaining five copies must be submitted on five (5) CD-ROMs, one (1) copy on each CD-ROM. The cost proposal shall be submitted separately, on a CD-ROM or a 3.5 inch diskette, in MS Excel version 97 or earlier. Two electronic and two hard copies of the cost proposal shall be submitted. The original sealed past performance questionnaires (supplied in Section J) shall be submitted with your proposal. If there is a discrepancy between any of the electronic copies and the hard copy, the original signed hard copy will take precedence.

(1) A proposal submitted in response to the solicitation must consist of a Technical Proposal (Volume I), with sections for Technical Approach, Transition Plan, Continuity of Operations Plan (COOP), and Management Plan (Staffing Plan), a separate volume with Past Performance (Volume II) information, and a separate Cost/Price Proposal (Volume III). The Technical Approach, Transition Plan, Continuity of Operations Plan (COOP), and Management Plan (Staffing Plan) sections must not contain any contract price or cost information.

(2) Any data previously submitted in response to another solicitation will be assumed unavailable to the Contracting Officer; and this data must not be incorporated into the technical proposal by reference.

(3) Clarity and completeness of the proposal are the utmost importance. The proposal must be written in a practical, clear and concise manner. It must use quantitative terms whenever possible and must avoid qualitative adjectives to the maximum extent possible. Proposal volumes must be internally consistent or the proposal will be considered unrealistic and may be considered unacceptable.

(4) Proposals must be legible, double spaced (personnel résumés may be single spaced), typewritten (on one side only), in a type size not smaller than 12 point proportional, on paper not larger than eight and a half by eleven inches and not to exceed the page limits established herein. Pages in excess of the individual limitations shall not be read, and the proposal shall be evaluated as if the excess pages did not exist. Some foldout charts or diagrams may be used within the aforementioned restrictions/page limitations. Each 8" x 11" page foldout will be counted as one page (i.e., one foldout with two pages will be counted as two 8" x 11" pages).

(5) The Technical Proposal, Past Performance information, and the Cost Proposal Volumes must be submitted in separately sealed envelopes within a sealed package and be clearly marked with the solicitation number. The proposal may have a cover letter (maximum 2 pages). Each volume and section must have a table of contents. Tables of contents and blank section dividers are not included in the page limitations cited for each section. Proposals submitted in response to this solicitation must contain the information as outlined below.

Volume Number	Volume Title	# Copies	Page Limit (SAA)	Page Limit (Alternate AIS)
	Executive Summary	5 Electronic & 2 Paper	10	
I	Technical Proposal	5 Electronic & 2 Paper	300	350*
	Technical Approach			
	Transition Plan			

	COOP Plan			
	Management Plan			
II	Past Performance	5 Electronic & 2 Paper	No Limit	No Limit
	Questionnaires	1	No Limit	No Limit
III	Cost/Price	2 Electronic & 2 Paper	No Limit	No Limit
*Fifty (50) pages of this volume are reserved for a description of the offeror's proposed AIS. If fifty (50) pages are not required, the offeror shall not use the remaining pages to discuss other aspects of their technical proposal.				

(b) TECHNICAL PROPOSAL (Volume I) Technical proposal may not be classified. The Continuity of Services Plan requirements do not apply to the MEO technical performance plan. The following sections are to be included in the order indicated:

(1) Section I - Technical Approach

Part I. Overall Understanding and Approach: The offeror shall provide a summary of its understanding of the requirements set forth in the solicitation, and describe its approach to accomplishment of the requirements.

- **Part II. Oral Presentations:** The offeror shall provide an oral presentation of the approach to be documented in Part I and shall be prepared to address three sample tasks for which an outline is provided below. The specific tasks to be presented will be provided sixty minutes prior to this oral presentation. The offeror shall develop a response during this time to each task and include it during their oral presentation. The specific tasks will be representative of the problems, or issues, that are encountered in performance of Security Assistance Accounting for the DoD. For each sample task, the offeror shall provide: (1) an understanding of the task requirement, (2) a description of the technical approach including, the procedures and methodology that would be used to accomplish the task, (3) an understanding of the scope and effect of the situations described, (4) the application of the appropriate laws, regulations, and policies, and (5) an outline of the work effort needed to complete the task. The Oral presentations will be limited to two hours per offeror and will be scheduled after proposal submission. Oral Proposal requirements do not apply to the in-house technical performance plan (TPP) / MEO.

Security Assistance Accounting Sample Task 1

OUTLINE: A security assistance program has just been established by new legislation. Describe the steps needed to successfully implement the program in security assistance accounting systems.

Security Assistance Accounting Sample Task 2

OUTLINE: The Defense Security Cooperation Agency (DSCA) has just directed the Implementing Agencies to focus on the closure of a group of specific foreign military sales cases for a single country during the current quarter. How would you ensure that the portion of the closure work to be performed by DFAS would be re-prioritized to complete this work and stay on schedule for all other requirements?

Security Assistance Accounting Sample Task 3

OUTLINE: The OUSD(C) has changed the policy for a “below-the-line” charge calculated by the DIFS today. Explain what you would need to do complete this change operationally and ensure all users understood the requirement?

Part III. Software Description (If Applicable):

- If the offeror is not proposing the use of DIFS, but rather, the use of an alternate AIS, the offeror shall provide a software description of their proposed system. The burden is on the offeror to clearly demonstrate how the proposed system will accomplish the tasks set forth in Section C. This software description is limited to fifty (50) pages and shall address the technical and functional characteristics of the hardware/software/network/architecture. Software description requirements do not apply to the in-house technical performance plan (TPP) / MEO.
 - a) Technical characteristics are items such as: the audit trail, security access, fraud detection, types and numbers of interfaces, complexity of interfaces, volume and capacity such as number of cases and line items that can be accommodated.
 - b) Functional characteristics include elements such as retroactive processing data, FY reporting, audit trails, variety and magnitude of accessorial and other calculations, and report generation to include ad hoc queries.
 - c) If the offeror proposes using their own AIS system in lieu of the Government offered DIFS, the Government may require a demonstration of the system to aid in the evaluation of the System Description. The purpose of the demonstration will be to validate the technical and functional capability and system characteristics described in the written proposal. This demonstration will not constitute discussions and the Government may require the demonstration as part of an evaluation of proposals for award without discussions.
 - d) The system proposed shall be an existing system, which currently operates in a business environment. SYSTEMS UNDER DEVELOPMENT WILL NOT BE CONSIDERED. The offeror shall identify if its proposed system uses any contractor or third party proprietary technology that is not generally commercially available.

(2) Section II – Transition Plan: The Offeror shall describe, in detail, how the start-up and transition will be executed and managed for this contract.

Part I. Transfer of Operations: The contractor shall explain, in detail, the actions and schedules proposed for changeover of operations from DFAS to the contractor. The contractor shall explain the extent to which the proposed schedule is achievable and supportive of DFAS transition goals identified in the PWS. The transfer must be accomplished with minimal disruption to DoD security assistance customers, their respective financial institutions, and other affected Government agencies. The offeror shall describe the level of DFAS involvement required to support the transition (e.g., management support, 100% continuation of present DIFS operations).

Part II. Government Employees: The transition plan must address the placement of existing government employees. The plan must ensure the current Government employees' right of first refusal is not jeopardized by the delay in full implementation of the contractor operation. Requirements do not apply to the in-house technical performance plan (TPP) / MEO.

Part III. Offeror System (If Applicable): If the offeror plans to propose an AIS other than DIFS, the transition plan must include the tasks and actions necessary to convert to that AIS. The transition plan must include the identification of modifications required and the approach, procedures and schedule to be used in modifying the AIS to satisfy all PWS requirements. Proposal requirements do not apply to the in-house technical performance plan (TPP) / MEO.

Part IV. Continuity of Services Plan (COSP): The offeror shall submit the Continuity of Services Plan (COSP), the COSP must describe in detail, the Contractor's planned phase-out activities to effect the orderly, efficient and timely transfer of security assistance accounting functions and operations. As a minimum, the plan shall describe the Contractor's plans to transfer data files and other system information to a successor. Contractor's proposing their own AIS shall describe their plan to license their software to a successor. Proposal requirements do not apply to the in-house technical performance plan (TPP) / MEO.

(3) Section III – Continuity of Operations Plan (COOP): The offeror shall submit the offeror's Continuity of Operations Plan (COOP), as required in Section C of this solicitation. The COOP plan must describe, in detail, the actions to be taken in contingency situations including as a minimum, the delineation of responsibilities between government and contractor, the coordination to take place between the government and the contractor, the extent of accounting operations, processing and printing capabilities available under contingency circumstances, and the specific timeframes required for establishing these capabilities.

(4) Section IV – Management Plan:

Part I. Management Plan: (Applies to both Security Assistance Accounting, and Government Directed AIS Tasks for those commercial offerors that offer a contractor-proposed AIS) The offeror must provide a detailed management plan that will be followed during contract execution.

At a minimum, the offeror's management plan must:

- Provide an overview of the company, its capabilities, management structure, locations, as well as any other information that will highlight the offeror's strengths and capabilities to perform this effort including its ability to provide world-class customer support to DFAS and its customers.
- Include the proposed lines of responsibility, authority, and communication through which the Security Assistance Accounting requirement, and the contractor proposed AIS requirement if applicable, tasks will be managed, the procedures to be used to ensure quality control and cost control, and the processes and practices to be used to improve and strengthen the service infrastructure on a continuous basis.
- Define the proposed organizational structure (including its chain of command, delegations of authority, and subcontractor management plan, as it relates to the execution of the work required in the PWS) for the project/contract, how personnel will be assigned from task to task throughout the contractual period, and how the proposed

project team will interface with both the offeror's corporate structure and with the Department of Defense command structure.

- Propose policies, procedures for managing and directing the effort for productivity, quality, cost control, and early identification and resolution of problems/risks.
- Describe its approach to problem management and change management.
- Commit to a significant level of initial and ongoing executive sponsorship for the program.
- Propose a security plan in accordance with requirements of Section C.

Part II. Key Personnel: Part II must contain one page (maximum) introductory summary on key personnel including their full time availability (unless exempted). Part II must contain résumés, in the exact quantity shown, for all key personnel being proposed for the following labor categories. For each key personnel proposed, the offeror shall establish the minimum qualifications and position descriptions (which will be incorporated into the subsequent contract) necessary to accomplish the functions described in the PWS. All key personnel must be available full-time (Available means available to work, if and when ordered). Full-time means a regular labor-year, the definition of which in terms of precise hours will vary from company to company.

Security Assistance Accounting Operations Key Personnel

Contractor Representative/Security Assistance Accounting Project Leader (1 person). The minimum education requirement is a bachelor's degree in accounting or business with at least 24 hours of accounting courses. This individual must have at least 7 years of general accounting/business work experience and 5 years of experience working with federal government financial management and/or accounting systems. This individual must be thoroughly familiar with government-wide accounting standards and related requirements. This individual manages all aspects of the contractor's work performance, which includes conducting discussions and briefings with the government; directing the contract project officers; reviewing and approving work plans; ensuring that assignments are carried out within the budgeted time and that deliverables meet expectations; and reviewing work papers, deliverables and related reports for accuracy and completeness.

Alternate Contractor Representative Security Assistance Project Leader (1 person). This individual must have as a minimum, a bachelor's degree in accounting or business with at least 24 hours of accounting courses. This individual must have at least 2 years of general accounting/business work experience and 2 additional years of experience working with federal government financial management and/or accounting systems. This individual must be thoroughly familiar with government-wide accounting standards and related requirements.

Automated Data Processing (ADP) Project Manager. This individual performs day-to-day management of assigned delivery order projects that involve teams of data processing and other information systems/management professionals who have previously been involved in analyzing, designing, integrating, testing, documenting, converting, extending, and implementing automated information systems. Demonstrates proven skills in those technical areas addressed by the delivery order to be managed. Organizes, directs, and coordinates planning and production of all activities associated with assigned delivery order projects. Demonstrates writing and oral communications skills. The minimum education requirement is

a bachelor's degree in data processing, systems management, or computer sciences. This individual must have at least 5 years of experience in the field of computer sciences or related work.

RESUME FORMATName:Proposed Labor Category:Present Employee or Contingency HireEducation: (College/University)

<u>Degree</u>	<u>Year</u>	<u>Institution</u>	<u>Major Field of Study</u>
1.			
2.			
3.			

Work Experience:

<u>To/From by Month and Year</u>	<u>Name of Employer/ POC/Phone</u>	<u>Title</u>	<u>Description of Duties/Accomplishment</u>
1.			(Must list duties succinctly and
2.			address how duties are relevant
3.			to work to undertaken on this
			DFAS contract. Must also tie
			experience to experience
			requirements for the labor
			category for which proposed.
			(This column can be carried
			over to left margin)

(At bottom of final page)

I consent to the disclosure of any resume or other personnel data to DFAS (including the formal technical evaluation panel) for the purpose of evaluating proposals under solicitation number MDA220-00-R-6001.

Employee Signature_____
Date

I certify that this resume is current, accurate, and complete.

Authorized Company Representative Date_____
Employee Date

(c) PAST PERFORMANCE INFORMATION (Volume II) The offeror shall describe its past performance on directly related or similar Federal, State and local government, and private contracts and subcontracts it has held within the last three (3) years and all contracts and subcontracts currently in progress which are of similar scope, magnitude and complexity to that which is detailed in the RFP. (The information must be clear whether the work by the offeror was done as a prime contractor or a subcontractor). Offerors who describe similar contracts and subcontracts shall provide a detailed explanation demonstrating the similarity of the contracts to the requirements of the RFP.

The offeror shall provide the following information regarding its past performance.

- A. Contract Number(s) and type of contract;
- B. Procuring Agency and name of reference point(s) of contact (not to exceed 3) telephone and fax numbers at the Federal, State, Local Government or Commercial entity for which the contract was performed;
- C. Dollar value of the Contract;
- D. Period of Performance;
- E. Detailed description of the work performed;
- F. Relevancy of the contract to this proposed requirement;
- G. Clear statements describing whether the contract was completed on time, with a quality product conforming to the contract, without any degradation in performance or customer satisfaction. Discuss any cost growth if the contract was not completed for the original contract amount; and
- H. The number, type, frequency, duration and impact of any quality, delivery or cost problems in performing the contract, the corrective action taken, if any, and the effectiveness of the corrective action. Offerors shall submit similar past performance information on proposed significant or critical subcontractors but such subcontractor past performance must be relevant to that required under this RFP and to the work to be subcontracted. The proposal must describe the amount of work and criticality of the work to be subcontracted. Such subcontractor work must clearly indicate the extent of involvement of the subcontractor(s) in the proposed effort (such as 40% of the total labor hours) and why such subcontractor experience is relevant considering the subcontractor effort proposed.

Offerors must either provide the above information or affirmatively state that it possesses no relevant directly related or similar past performance.

I. The questionnaire supplied in Section J should be filled out and placed in a sealed envelope by the evaluator and returned back to the offeror. The offeror shall submit the original questionnaires with their proposal.

L.5 TYPE OF CONTRACT, FAR 52.216-1 (APR 1984)

The Government contemplates award of a Firm Fixed Price (FFP) contract resulting from this solicitation.

L.6 COST/PRICE PROPOSAL(S) (DFAS L7)

- (a) The offeror's price proposal shall provide the following: Offeror's proposed unit and extended price for all Fixed Priced CLINS for all Lots. See B.1 for further instructions.
- (b) Offerors shall complete the DEDUCTIONS column (h) of the Performance Requirements Summary (Attachment J-1) by inserting a percentage amount.
- (c) Deleted.
- (d) Offerors proposing different contract types shall provide a cost or price proposal (as required), in a level of detail appropriate to the contract type.

L.7 INQUIRIES/QUESTIONS REGARDING THIS SOLICITATION (DFAS L10)

Inquiries concerning the solicitation requirements shall be in writing and shall be received by the Contracting Officer at the location noted in block 7 of the Standard Form 33, "Solicitation, Offer and Award," on or before February 28, 2001. Questions shall be e-mailed to: janet.carlson@dfas.mil and faxed to (703) 607-1573/2132. The government may not consider questions after this date.

L.8 CONTRACT OMBUDSMAN

For inquiries concerning the Security Assistance Accounting requirement, the OMBUDSMAN Mr. James Lee may be contacted at (703) 607-5106 or e-mail: james.lee@dfas.mil. For this requirement, the Ombudsman shall review comments, suggestions, complaints etc... from industry and ensure that all contractors are afforded a fair opportunity to be considered.

L.9 REFERENCE/OFFERORS' LIBRARY

Data and references cited in this solicitation but not distributed with the solicitation are available on CD-ROM. Requests for the CD-ROM shall be made in writing using the form titled "CD-ROM Request Form." Requests may be faxed to the individual identified in L.10 or the person identified on the form.

L.10 PRE-PROPOSAL CONFERENCE (DFAS L11)

- (a) A pre-proposal conference for all prospective Offerors is tentatively scheduled for February 9, 2001 in DFAS Denver, CO site. There will also be a site visit at DFAS Denver the same day for all interested Offerors.
- (b) All prospective Offerors are urged to attend this conference. To make the conference as productive as possible, Offerors are requested to submit questions pertaining to this procurement in writing (by mail, email or by telefacsimile) using a format that clearly describes the solicitation number, page and paragraph number. Questions must be submitted to:

Ms. Janet M. Carlson
Defense Finance and Accounting Service (DFAS)
CM #3, Rm. 227 (Attn: ASO/QOI)
1931 Jefferson Davis Highway
Arlington, VA 22240-5291
Janet.carlson@dfas.mil

at least four days before the date of the Conference. The telefacsimile number is 703-607-1573/2132.

(c) Failure of a prospective Offeror to submit questions or to attend the conference will be construed to mean the Offeror fully understands all the requirements of the solicitation. In no event will failure to attend the pre-proposal conference constitute grounds for a claim after award of the contract.

(d) Remarks and explanations made at this conference shall not qualify the terms and conditions of the solicitation, nor are they to be construed as changes to the solicitation or specifications. Changes to the terms and conditions, if any, shall be made in the form of a formal written amendment to the solicitation. Questions and answers from the conference will be provided to all potential Offerors for informational purposes only.

(e) Offerors shall contact Ms. Janet Carlson, telephone 703-607-1031, not later than February 09, 2001 with the name(s) of the Offeror's representative(s) who will attend the conference.

L.11 SMALL BUSINESS SUBCONTRACTING PLANS (DFAS L13)

In accordance with FAR 52.219-9, the Contracting Officer requires the Offeror to submit a subcontracting plan, where applicable, which addresses separately subcontracting with Small Business Concerns and Small Disadvantaged Business Concerns, and which shall be included in and made a part of the resultant contract. The Offeror shall submit a subcontracting plan in accordance with FAR and DFARS Part 19, with specific attention paid to FAR 19.704, FAR 52.219-8, FAR 52.219-9, and DFARS 252.219-7003. The Offeror shall show the subcontractor's business size, both percentage and dollar goals, and type of workload estimated to be contracted out. Plans that do not address all items listed therein are not acceptable. In accordance with FAR 52.219-9(c), the Offeror submitting an individual Subcontracting Plan shall provide a separate part for the base contract and separate parts for each option.

All prospective subcontractors contacted by the Offeror in any manner shall be expressly advised in writing that no solicitation on behalf of the Offeror shall be construed in any manner to be an obligation on the Offeror's part to enter into a subcontract with said subcontractor. Nor shall any contract result in any claim whatsoever against the United States Government for reimbursement of costs for any efforts expended by said subcontractor, regardless of whether or not your firm is successful in receiving a contract as a result of this proposal.

The Contracting Officer expects a large business Offeror to comply with the law in establishing small business subcontracting goals for this requirement. As the primary effort to comply with the program takes place prior to award of the contract, best efforts to ensure small business receives the maximum practical opportunity for subcontracting must be taken into consideration prior to the goals being established. If future commitments are expected, the selection of sources and small business consideration must be documented.

In the evaluation of the large business Offeror's Subcontracting Plan, the Contracting

Officer will contact the cognizant Defense Contract Management Agency (DCMA) office to obtain the Offeror's past history regarding subcontracting efforts to small business. This is required to ensure that goals for this requirement reflect small business received the maximum practical opportunity for subcontracting and/or are no lower than previous efforts. If for any reason the proposed small business goals are not clearly defined, the large business Offeror shall give specific explanation as to the circumstances. Failure to propose and demonstrate best efforts may result in the proposal being found non-responsive.

The subcontracting goals for this acquisition are as follows:

Small Businesses = There is not a pre-determined percentage of the total subcontract amount to be subcontracted to small business. The paragraphs above provide information to the large business Offeror on determining percentages to be subcontracted to small businesses.

Small Disadvantaged Businesses = 5.0% of the total subcontract amount

Women-Owned Small Businesses = 5.0% of the total subcontract amount

HUBZone = for fiscal year 2001 = 2.0% of the total subcontract amount

for fiscal year 2002 = 2.5% of the total subcontract amount

for fiscal year 2003 and beyond = 3.0% of the total subcontract amount

L.12 PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE EVALUATION, FAR 52.222-24 (FEB 1999)

If a contract in the amount of \$10 million or more will result from this solicitation, the prospective Contractor and its known first-tier subcontractors with anticipated subcontracts of \$10 million or more shall be subject to a pre-award compliance evaluation by the Office of Federal Contract Compliance Programs (OFCCP), unless, within the preceding 24 months, OFCCP has conducted an evaluation and found the prospective Contractor and subcontractors to be in compliance with Executive Order 11246.

L.13 SERVICE OF PROTEST, FAR 52.233-2 (AUG 1996)

(a) Protests, as defined in section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

Ms. Janet M. Carlson
Defense Finance and Accounting Service
CM #3, Rm. 227 (Attn: ASO/DPI)
1931 Jefferson Davis Highway
Arlington, VA 22240-5291

(b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.

L.14 INDEPENDENT REVIEW OF AGENCY PROTESTS (DFAS)

FAR 33.103 sets forth procedures for inexpensive, informal, procedurally simple and expeditious resolution of protest. Where appropriate and permitted by law, DFAS encourages the use of those techniques set forth in FAR 33.103 to resolve agency protests. Therefore, offerors may submit

protests to the Contracting Officer, Janet M. Carlson. Protests should comply with, and will be processed in accordance with the protest procedures set forth in FAR 33.103. As an alternative, offerors who protest may request DFAS to review the merits of the protest independent of the contracting officer who is conducting the source selection. The Head of the DFAS Contracting Activity (HCA) will conduct this independent review.

L.15 INSPECTION OF SITE, DFAS

DFAS intends to conduct a partial-day on-site series of briefings at DFAS Denver the same day as the proposal conference in Denver. The briefings will be provided by DFAS functional representatives and will address the processes currently in use. A short walk-through of the location will also be provided. Informational slides used in the presentations will be posted on the DFAS web page after that date. The tentative date for this event is February 9, 2001. Interested vendors should contact the individual identified in L.9 no later than February 2, 2001. Other site visits will be scheduled if requested by the bidders.

L.16 LETTERS OF COMMITMENT - KEY PERSONNEL (DFAS L14)

(a) All proposed key personnel require written, signed (by employee/contingency hire), and dated letters of commitment. The Offeror shall provide letters of commitment from current employees that state they: (1) will remain employed by the Offeror; and (2) will work on the resultant contract if awarded to the Offeror.

(b) Letters of commitment must be submitted for contingency hires, defined as persons not currently employed but who have executed a binding letter of commitment for employment with the Offeror, if the Offeror receives award under subject solicitation. The letter of commitment must reflect agreement on salary, benefits and position. New hires may not be proposed for Key Personnel.

(A new hire is defined as specified or unspecified persons to fill an empty billet who are neither identified as a current employee of the Offeror (or proposed subcontractor) nor as a contingency hire.)

L.17 CONFIRMATION OF PROPOSED KEY PERSONNEL (DFAS L14A)

The following certificate shall be provided upon request by the Contracting Officer should discussions be required and revised and/or best and final offers be requested.

"I certify that the proposed key personnel are still available for performance under any contract resulting from this solicitation, and that the letters of commitment are still valid. I base this certification on written or oral confirmation which I received, within the past 30 days, from each individual proposed to fill the Key Personnel requirements. I further certify that I possess copies of written confirmations I received from each individual, and/or a memorandum to the file documenting oral confirmation of that individual's availability.

Date of Certification:

By: (Name and signature of company president)

L.18 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE, FAR 52.252-1 (FEB 1998)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. In addition, the full text of FAR and DFARS clauses may be accessed electronically at <http://farsite.hill.af.mil/>.

L.19 AUTHORIZED DEVIATIONS IN PROVISIONS, FAR 52.252-5 (APR 1984)

(a) The use in this solicitation of any Federal Acquisition Regulation (48 CFR Chapter 1) provision with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the provision.

(b) The use in this solicitation of any DFARS (48 CFR Chapter 2) provision with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

L.20. POTENTIAL FUTURE WORKLOAD REALIGNMENT FROM DFAS.

A Major Command (MAJCOM)-Air Force Realignment plan and Army Standardization Realignment are in the process of implementation. With the MAJCOM realignment in place, workload may be transferred from one field location to another. Regardless of location, the Contractor shall be responsible for the functions to be performed for SAA. Once the Army realignment is in place, functions may be transferred back to the Services and removed from the scope of the PWS. The Realignment Schedule is available in the Reference Library. Additionally, Offerors should refer to Table J-6.5 for an estimate of the workload potentially affected by an transfer of a portion of Army workload, and to section L.6(c) for price proposal instructions.

SECTION M - EVALUATION CRITERIA FOR AWARD

M.1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (DFAS M1)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The Offeror is cautioned not to delete provisions from, nor add provisions to, the following list. Such an action may cause your offer to be rejected. The complete text of specific provisions is contained in Chapters 1 (Federal Acquisition Regulation) and 2 (DOD FAR Supplement) of Title 48 of the Code of Federal Regulations (CFR) which are available at most law libraries. In addition, the full text of FAR and DFARS clauses may be accessed electronically at <http://farsite.hill.af.mil/>.

M.2 AWARD--SINGLE AWARD FOR ALL ITEMS (DFAS M4)

Due to the interrelationship of supplies and/or services to be provided hereunder, the government reserves the right to make a single award to the Offeror whose offer is considered in the best interest of the government, price and other factors considered. Therefore, offers proposing less than the entire effort for the alternatives specified herein may be determined to be unacceptable.

M.3 CONTRACT AWARD - BEST VALUE/A-76 COST COMPARISON, DFAS (JUL 1999)

(a) The Government intends to evaluate proposals and award a contract without discussions with offerors. However, the Government reserves the right to conduct discussions if later determined by the Contracting Officer to be necessary. Therefore, each initial offer should contain the offeror's best terms from a cost or price and technical standpoint.

(b) Proposals received in response to this solicitation will be evaluated by the Defense Finance and Accounting Service pursuant to the Federal Acquisition Regulation (FAR) and the Department of Defense Supplement (DFARS). In accordance with FAR 52.207-2 and OMB Circular A-76, one contractor will be selected for comparison with the Government's proposal, on the basis of their proposal being the most advantageous to the Government, price and other factors considered. The Government will use the win.COMPARE² cost model to develop the Government cost proposal. The relative importance of the evaluation factors is as follows:

- Price/Cost is approximately equal to all non-cost factors combined
- The following non-cost factors are listed in descending order of importance:
 - Technical
 - Performance Risk
 - Past Performance

(c) Each technical proposal will be evaluated qualitatively and categorized as *Outstanding*, *Better*, *Acceptable*, *Marginal* or *Unacceptable* in relation to the evaluation factors set forth in this solicitation. A finding of *Unacceptable* in one technical factor may result in the entire technical proposal being found to be unacceptable. The Past Performance factor will be evaluated qualitatively and categorized as *Neutral*, *Outstanding*, *Better*, *Satisfactory*, or *Marginal* as set forth in Section M clause M.9 entitled "Evaluation of Past Performance."

M.4 TECHNICAL EVALUATION FACTORS (DFAS M7)

(a) The primary technical evaluation factors are listed below in descending order of importance, unless otherwise indicated.

1. Technical Approach. The Technical Approach evaluation factor rating consists of two or three equally weighted subfactors, depending on which proposal approach (see L-4) is being evaluated. In making an integrated assessment of offers based on alternate approaches, Technical Approach scores assigned are of similar importance, even though based on consideration of different technical evaluation subfactors.

(a) Proposals to Perform Using the Defense Integrated Financial System (DIFS) AIS. Two equally weighted subfactors will be used to evaluate offers to perform using the DIFS AIS as Government-furnished property and equipment (GFP and GFE). These subfactors are:

(i) Evaluation of Overall Understanding and Approach, which will be based upon the extent to which the offeror demonstrates a clear understanding and approach to performance of the performance work statement.

(ii) Sample Tasks (set forth in Section L), which will be evaluated to determine the extent of the offeror's understanding of and feasibility/ability to successfully perform the Government's requirements.

(b) Proposals to Perform Using an Alternate AIS. Three equally weighted subfactors will be used to evaluate offers to perform using a contractor-provided alternate AIS. These subfactors are:

(i) Evaluation of Overall Understanding and Approach, which will be based upon the extent to which the offeror demonstrates a clear understanding and approach to performance of the performance work statement.

(ii) Sample Tasks (set forth in Section L), which will be evaluated to determine the extent of the offeror's understanding of and feasibility/ability to successfully perform the Government's requirements.

(iii) Software Description (and System Demonstration if required). The software description (set forth in Section L)(If Applicable) will be evaluated to determine the extent to which the proposed alternate system to DIFS will satisfy the Performance Work Statement (PWS) requirements. If the Government elects to require the offeror to demonstrate the proposed AIS system, the Government will use the demonstration to evaluate AIS technical and functional capability and system characteristics, and consider the results along with the software description in the proposal to assign the Software Description technical subfactor rating.

2. Transition Plan

Part I: The Transfer of Operations will be evaluated to determine the extent of the offeror's understanding of the actions required to changeover operations from DFAS to the contractor; the extent to which the proposed schedule is achievable and supportive of DFAS transition goals identified in the PWS; the offeror's approach to ensure minimal disruption to DoD civilian employees, their respective financial institutions, and other affected Government agencies; and the offeror's

understanding of the level of DFAS involvement required to support the transition. The Government's intent is to minimize transition time while ensuring no degradation of service.

Part II: The Government Employees section will be evaluated to determine the degree to which the offeror's proposal provides a transition plan that affords the existing Government employees that remain in Government employment during the transition the opportunity for employment at completion of transition.

Part III: The Offeror System (if applicable) will be evaluated to determine the degree to which the offeror's proposal identifies the tasks and actions required to convert all existing AIS functions to the offeror system to satisfy all PWS requirements.

Part IV: The Continuity of Service Plan (COSP) will be evaluated to determine the extent to which the Contractor's Plan provides planned phase-out activities to effect the orderly, efficient and timely transfer of all Security Assistance Accounting functions and operations to a successor.

3. Continuity of Operations Plan (COOP)

The Continuity of Operations Plan (COOP) (as required in Section C) will be evaluated to determine the extent of the offeror's actions to be taken in contingency situations including as a minimum, the delineation of responsibilities between government and contractor, the coordination to take place between the government and the contractor, the extent of operations and processing capabilities available under contingency circumstances, and the specific timeframes required for establishing these capabilities.

4. Management Plan

Part I: The Management Plan will be evaluated based on the extent to which the offeror demonstrates sound business practices in response to the requirements in Section L. In terms of the staffing portion of the plan, the evaluation will be based on the extent to which the offeror clearly demonstrates an ability to staff the non-key personnel portion of the contract with qualified personnel, both initially and over the life of the contract. (Primary preference for initial staffing of non-key personnel at time of contract award is for current employees with personnel for whom the offeror has binding contingency hiring agreements vice recruiting.)

Part II: Evaluation of Key Personnel will be based on the extent to which personnel résumés submitted by the offeror clearly meet or exceed, the education and experience required by the labor category minimum qualifications, as proposed by the offeror, and their demonstrated ability to perform the functions described in the PWS. To be considered, all key personnel must have letters of commitment in the proposal, and be available full-time unless exempted (see Section L), and otherwise comply with the requirements in Section L for Key Personnel.

(b) Scoring Adjective. The following adjectives should be used as general guidance in assessing each technical subcriterion and the technical proposal as a whole:

"Outstanding"	O Very significantly exceeds most or all solicitation requirements. Response exceeds a "Better" rating. The Offeror has clearly demonstrated an understanding of all aspects of the requirements to the extent that timely and highest quality performance is anticipated.
"Better"	B Fully meets all solicitation requirements and significantly exceeds many of the solicitation requirements. Response exceeds an "Acceptable" rating. The areas in which the Offeror exceeds the requirements are anticipated to result in a high level of efficiency or productivity or quality.
"Acceptable"	A Meets all solicitation requirements. Complete, comprehensive, and exemplifies an understanding of the scope and depth of the task requirements as well as the Offeror's understanding of the Government's requirements.
"Marginal"	M Less than "Acceptable." There are some deficiencies in the technical proposal. However, given the opportunity for discussions, the technical proposal has a reasonable chance of becoming at least "Acceptable." (Areas of a technical proposal which remain to be "Marginal" after "Best and Final" offers shall not be subject to further discussion or revision.) If award is made on initial offers, there will not be an opportunity for discussions, nor a chance to become at least "Acceptable."
"Unacceptable"	U Technical proposal has many deficiencies and/or gross omissions: Failure to understand much of the scope of work necessary to perform the required tasks; failure to provide a reasonable, logical approach to fulfilling much of the Government's requirements; failure to meet many personnel requirements of the solicitation. (When applying this adjective to the technical proposal as a whole, the technical proposal must be so unacceptable in one or more areas that it would have to be significantly revised to attempt to make it other than unacceptable.)

M.6 EVALUATION OF PAST PERFORMANCE (DFAS M22 (ALTERNATE I))

(a) The Government will evaluate the quality of the offeror's past performance. This evaluation is separate and distinct from the Contracting Officer's responsibility determination. The assessment of the offeror's past performance will be used to evaluate the relative capability of the offeror and other competitors to successfully meet the requirements of the RFP. Past performance of significant and/or critical subcontractors will be considered to the extent warranted by the subcontractor's involvement in the proposed effort. Past performance of "key personnel", if any, shall not be considered.

(b) The Government reserves the right to obtain information for use in the evaluation of past performance from any and all sources including sources outside of the Government. Offerors lacking relevant past performance history will receive a neutral rating for past performance. However, the proposal of an offeror with no relevant past performance history, while rated neutral in past

performance, may not represent the most advantageous proposal to the Government and thus, may be an unsuccessful proposal when compared to the proposals of other offerors. The offeror must provide the information requested above for past performance evaluation or affirmatively state that it possesses no relevant directly related or similar past performance experience. The Government reserves the right not to evaluate or consider for award the entire proposal from an offeror which fails to provide the past performance information or which fails to assert that it has no relevant directly related or similar past performance experience.

(c) Contracting Officers will use the following adjectival definitions as guidelines in evaluating past performance:

NEUTRAL: No relevant past performance available for evaluation. Offeror has asserted that it has no relevant directly related or similar past performance experience. Proposal receives no merit or demerit for this factor.

OUTSTANDING: No risk anticipated with delivery of quality product, on time, or of any degradation of performance or lack of customer satisfaction (or cost growth if applicable) based upon offeror's past performance.

BETTER: Very little risk anticipated with delivery of quality product, on time, or of degradation of performance or lack of customer satisfaction (or cost growth if applicable) based upon the offeror's past performance.

SATISFACTORY: Some potential risk anticipated with delivery of quality product, on time, and of degradation or lack of customer satisfaction (or cost growth if applicable) based upon the offeror's past performance.

MARGINAL: Significant potential risk anticipated with delivery of quality product, on time, and of degradation of performance based upon the offeror's past performance. (A rating of marginal does not by itself make the proposal ineligible for award.

M.7 EVALUATION OF OPTIONS, FAR 52.217-5 (JUL 1990)

Except when it is determined in accordance with FAR 17.206(b) not to be in the Government's best interests, the Government will evaluate offers for award purposes by adding the total price for all options to the total price for the basic requirement. Evaluation of options will not obligate the Government to exercise the option(s).

M.8 EVALUATION OF PRICE (DFAS)

Note: It is a goal of DFAS that the total cost for this program will decrease over time.

- (a) The total evaluated price will be derived by the sum of each Offeror's proposed prices for all Fixed Priced PWS requirements for all Lots.

For evaluation purposes only, the Government will:

- (1) Make an adjustment to those offerors proposing the use of government furnished facilities by adding an amount equal to the square footage proposed multiplied by the government facility cost per square foot.
- (2) Determine the evaluated price for the Security Assistance Accounting Services CLINs using the Level II stepladder quantity for evaluation purposes. The estimated quantity ranges for the number of FMS cases are estimates. The Government will analyze the stepladder pricing for reasonableness, consistency and unbalanced pricing.
- (3) For Offerors proposing different contract types; total cost will be derived by the sum of all CLINS or other means as appropriate.

An offeror's costs used in developing the evaluated price may be modified by the results of a Cost Realism analysis, if one is being performed.

M.9 RISK ASSESSMENT (DFAS M20)

Risk assessment may have a negative impact on the technical evaluation. It reflects the degree to which there is a concern that the cost/price proposal is too low and not consistent with the technical proposal, and that the Offeror cannot provide quality services/personnel over the life of the contract at the price proposed. Unrealistically low pricing which leads to such a concern may result in a reduced technical rating (such as determining that an otherwise acceptable "key personnel" section is "Marginal" or "Unacceptable").

M.10 PROPOSAL RISK ASSESSMENT

(a) The Government will evaluate the offeror's overall proposal risk. This risk assessment will be separate and distinct from the risk assessment in M.8. Assessment of risk includes the potential for disruption of schedule, increased cost, degradation of performance and the need for increased government oversight as well as the likelihood of unsuccessful contract performance. This risk assessment will focus on the level of risk to the government in regards to factors such as: alternative pricing methods and structures; stepladder pricing; contract types; service level credits (deductions), facilities; management of GFP and GFF; and alternative AIS systems. The Government will look favorably on meaningful service level credits (deductions).

(b) Contracting Officers will use the following adjectival definitions as guidelines in evaluating proposal risk:

HIGH (H): Likely to cause significant disruption of schedule, increased cost, or degradation of performance. Risk may be unacceptable even with special contractor emphasis and close government monitoring.

MODERATE (M): Can potentially cause some disruption of schedule, increased cost, or degradation of performance. However special contractor emphasis and close government monitoring will probably be able to overcome difficulties.

LOW (L): Has little potential to cause disruption of schedule, increased cost, or degradation of performance. Normal contractor effort and normal government monitoring will probably be able to overcome difficulties.